

Resources for Royal Oak Businesses Impacted by COVID-19 (updated April 1, 2020)

Provided below is a list of resources and information for Royal Oak businesses during the COVID-19 (Coronavirus) outbreak. The city, DDA, and Chamber of Commerce are in constant communication with the economic development leadership at the state and county levels, and this page will be updated as more resources become available.

For the latest information, please visit www.michiganbusiness.org/covid19/

OAKLAND COUNTY STABILIZATION FUND FOR SMALL BUSINESS

In partnership with the state, Oakland County has created a small business stabilization fund to provide immediate help for businesses impacted by the COVID-19 pandemic.

These are the two programs, and you will have to determine which one is right for your company. You can only apply for one:

1. **Small Business Grant** (Part of the Michigan Small Business Relief Program)
2. **Small Business Loan** (Part of the Michigan Small Business Relief Program)

Grant Qualifications

- 50 employees or fewer
- Working capital to support payroll expenses, rent, mortgage, utility, or other similar expenses
- Able to demonstrate an income loss as a result of the COVID-19 outbreak or related state executive orders
- You can apply for up to \$10,000

Loan Qualifications

- 100 employees or fewer.
- Working capital to support payroll expenses, rent, mortgage, utility, or other similar expenses.
- Able to demonstrate that the company is unable to access credit through alternative sources.
- Able to demonstrate an income loss as a result of the COVID-19 outbreak or related state executive orders.
- Loans to range from \$50,000 to \$200,000.

To apply for a small business grant or loan, please click [here](#). Applications are due by noon on April 6, 2020.

SMALL BUSINESS GUIDE TO THE FEDERAL CARES ACT

To help small business owners better understand the new programs that will soon be available to them, please review this comprehensive [guide](#) to many of the small business provisions in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* that was just passed by Congress. These programs and initiatives are intended to assist business owners with whatever needs they have right now.

When implemented, there will be many new resources available for small businesses, as well as certain non-profits and other employers. This guide provides information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as some additional tax provisions that are outside the scope of SBA.

To keep up to date on when these programs become available, please stay in contact with the [Michigan SBA District Office](#). You can download the guide [here](#).

SBA PAYCHECK PROTECTION PROGRAM

The SBA Paycheck Protection Program (PPP) is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. The Paycheck Protection Program will be available through June 30, 2020.

PPP Criteria

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19. Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

Small businesses in the hospitality and food industry with more than one location could also be eligible at the store and location level if the store employs less than 500 workers. This means each store location could be eligible.

The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease. This loan has a maturity of 2 years and an interest rate of .5%.

PPP Application

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating in the program. Lenders may begin processing loan applications as soon as April 3, 2020.

If you wish to begin preparing your application, you can [download a sample form](#) to see the information that will be requested from you.

SBA DISASTER ASSISTANCE LOANS

The Small Business Administration is providing targeted, low-interest loans to small businesses and non-profits that have been severely impacted by COVID-19. The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. Small business owners in many states are now eligible to apply, including Michigan.

For eligibility information, please visit <https://sbdcmichigan.org/disaster-loan-help/>

To apply, please visit <https://disasterloan.sba.gov/ela>

GUIDANCE TO EMPLOYERS CONTEMPLATING POTENTIAL LAYOFFS

Work Share Program

Michigan's Work Share program allows you to keep your employees working with reduced hours, while employees collect partial unemployment benefits to make up a portion of the lost wages. With Work Share, you can maintain operational productivity and hang on to your skilled workers.

For more information, please download this [Work Share Fact Sheet](#)

Temporary Leave vs. Termination

Due to the uncertainty regarding potential congressional action on how furloughed workers will be able to access federal resources, employers are strongly urged to place employees on **temporary leave** as opposed to termination. There is no additional cost to employers, employees remain eligible for unemployment benefits and they may remain eligible for potential federal assistance.

Steps for employers placing employees on temporary unpaid leave can be found [here](#).

RESOURCES FOR EMPLOYEES

If you become unemployed, you may qualify for unemployment insurance benefits. These benefits are intended to provide temporary income as you seek new employment. To be eligible for unemployment benefits, you must be unemployed and able to, available for, and actively seeking suitable full-time work.

A claim for unemployment benefits begins the week it is filed. Therefore, you should file your claim during your first week of unemployment. There are two ways to file a new claim or re-open an existing claim:

ONLINE is the fastest and preferred method.

Visit www.michigan.gov/uia and sign into MILogin to access or create an account on the Michigan Web Account Manager (MiWAM)

VIA TELEPHONE, call 1-866-500-0017. If you are hearing impaired, TTY service is available at 1-866-366-0004.

TAX PAYMENT DELAYS

Small businesses scheduled to make their monthly sales, use and withholding tax payments on March 20 can postpone filing and payment requirements until April 20. The state Treasury Department will waive all penalties and interest for 30 days.

Additionally, the Internal Revenue Service moved the national income tax filing day ahead to July 15, 2020, three months after the normal deadline for individuals and businesses to send in their returns.

MICHIGAN STAY-AT-HOME ORDER

On March 23, 2020, Governor Whitmer signed [Executive Order 2020-21](#) that directs residents to remain at home or in their place of residence to the maximum extent feasible. A [summary of her, "Stay Home, Stay Safe," Executive Order](#) is available online.

For purposes of this order, [critical infrastructure workers are those workers described by the Director of the U.S. Cybersecurity and Infrastructure Security Agency in his guidance of March 19, 2020 on the COVID-19 response.](#)

The order is to be construed broadly. Jeff Donofrio, director of the state Department of Labor and Economic Opportunity, has provided the following guidance: "Best advice for now — make a judgment call. If you're critical to an operation sustaining/protecting life, keep working. If you're not, stay home and help us save lives."

CITY UPDATES AND CONTACTS

Effective March 17, 2020 all municipal buildings are closed to the public until further notice. That said, city staff will still be answering your calls, opening mail, processing applications and more. Licenses and voter information may be filled on online. Other forms may be downloaded.

The best way to stay informed is to [sign-up for email or text messages from the city using NotifyMe](#) or follow the city on social media where we post regular updates.

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